



ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY

RESPONSIVENESS SUMMARY To Comments Made by the Environmental Protection Agency For

Proposed Air Quality Control Permit Number 1000155

Transwestern Pipeline Company Flagstaff Compressor Station

Comments on Attachment A : General Provisions

Comment 1: *Section III.B.5: Permit Revision, Reopening, Revocation and Reissuance, or Termination for Cause. In order to clarify the permit requirements for the source, this section should state that, apart from reopenings to include new applicable requirements, a reopening does not result in resetting the 5-year permit term. Note that when a permit is reopened to include new applicable requirements, the entire permit must go through the public review process to reset the 5-year permit term.*

Response: To clarify that permit reopenings, except for permit reopenings to include new applicable requirements, do not result in resetting the five-year term, Section III.B.5 has been revised as follows:

- (i) Section III.B.5 has been renamed as Section III.C
- (ii) The following sentence has been added to the language:

"Permit reopenings for reasons other than those stated in paragraph III.B.1 of this Attachment shall not result in a resetting of the five year permit term."

Comment 2: *Section XIII. Reporting Requirements. As the permit is currently written, the permittee is referred first to Attachment B, and subsequently to Attachment A to determine the reporting requirements. To provide clarification for the source, language should be included which explicitly states that reports of required monitoring should be submitted every 6 months, in addition to permit deviation reporting required by Attachment A, Section XI.*

Response: To clarify the reporting requirements of the permit to the source, Section XIII has been rewritten to read as follows:

"Permittee shall comply with all of the reporting requirements of this permit. These include all of the following:

- (i) Compliance certifications pursuant to Attachment A, Section VII of this permit.

- (ii) Permit deviation reporting pursuant to Attachment A, Sections XI.A, XI.B, and XI.C of this permit.
- (iii) Reporting requirements listed in Attachment B, Section III of this permit.”

Note: Making this modification results in Section III.B of Attachment "B" becoming redundant. Therefore, it was deleted.

Comment 3: Section XVI. Facility Change Without Permit revision. While changes made to this section due to past EPA comments have been useful, we feel further revisions are necessary. We are concerned that ADEQ may not be made aware of changes that should be processed as a permit revision, but which the source mistakenly believes it can make without a permit revision or notification to ADEQ. As written, the permit slightly contradicts itself. Section XVI.C states “Changes that meet the criteria listed in subsections A, B, and C.1 of this Section are exempt from the notification requirements.” Immediately following this, Section C.1 says “Examples of changes that do not require notification”. While the first statement lists specific criteria a change must meet to avoid notification requirements, the words “Examples of” in the second statement allow a wide range of changes that do not require notification. This wide range of changes may allow changes to inadvertently slip past ADEQ without review. Thus, the words “Examples of” in Section XVI.C.1 should be omitted to narrow the changes exempt from notification requirements. Also, this section should state that a source may be required to prove a modification meets the criteria for exemption from the notification requirement.

Response: ADEQ agrees with EPA on this comment. To clarify the meaning of Section XVI, the following two changes have been made:

- (i) The last sentence of Section XVI.C has been deleted
- (ii) Section XVI.C.1 has been deleted.

With these changes, the permit does not address facility changes which would not require notification to ADEQ. ADEQ is committed to working one-on-one with various industrial source groups to develop lists of such facility changes that would not require notification.

In addition to these changes, the review process revealed that the permit shield exemption for facility changes without revisions and minor revisions had been omitted from the permit. Consequently, Section X X of Attachment A of the permit now reads as follows:

"Compliance with the conditions of this permit shall be deemed compliance with the applicable requirements identified in Attachment "C" of this permit. The permit shield shall not apply to any changes made pursuant to Section XV.B of this Attachment and Section XVI of this Attachment."

Comment 4: Section XVII.B. Testing Requirements. The first sentence of this section should be changed to read "Performance tests shall reflect representative operational conditions unless other conditions are provided in the applicable test o in this permit". Also, the EPA would like to clarify the definition of "performance tests", especially given the exclusion during start-up, shutdown and malfunction. Performance tests are used to demonstrate compliance. However, the EPA does not interpret this permit condition to prohibit testing during periods of start-up, shutdown, and malfunction, for enforcement action purposes. Please let us know if ADEQ has a different understanding of the meaning of this permit condition.

Response: To clarify the intent of the testing requirements, Section XVII has been modified to read as follows:

XVII TESTING REQUIREMENTS

[A.A.C.R18-2-312]

A Operational Conditions During Testing

Tests shall be conducted during operation at the normal rated capacity of each unit, while operating at representative operational conditions unless other conditions are required by the applicable test method or in this permit. With prior written approval from the Director, testing may be performed at a lower rate. Operations during start-up, shutdown, and malfunction (as defined in A.A.C. R18-2-101) shall not constitute representative operational conditions unless otherwise specified in the applicable standard.

B Test Plan.....

Comment 5: Section XX. Permit Shield. The permit shield language in this section is very general, and could be interpreted to broadly apply to every requirement mentioned in the permit. Furthermore, the permit shield language as written could be assumed to apply to applicable requirements that are not included or addressed in the permit. There are two options for correcting this problem.

The first solution is to add language to Section XX which defines the applicable requirements as those listed in Attachment C. The new permit condition should read "Compliance with the conditions of this permit shall be deemed compliance with all applicable requirements as listed in Attachment "C", as of the date of permit issuance." Additionally, Attachment "C" must be modified to meet the requirements laid out in Comment #10 of this letter. A permit shield may not be provided for a given rule or portion of a rule unless the shielded requirement is fully captured by a permit condition (or is explicitly deemed not applicable).

The second solution is to completely eliminate Section XX in Attachment A, and instead explicitly request a permit shield in Attachment C. Again Attachment C must be modified to meet the requirements laid out in Comment #10 of this letter.

Response: Section XX has been modified to read as follows:

“Compliance with the conditions of this permit shall be deemed compliance with the applicable requirements identified in Attachment "C" of this permit. The permit shield shall not apply to any changes made pursuant to Section XV.B of this Attachment and Section XVI of this Attachment.”

Comments on Attachment B: Specific Conditions

Comment 6: Section I.A.2.b Emission Limits/Standards. The current rule approved into the SIP (R9-18-524.F.2) states “.....the operator shall report all six-minute periods in which the opacity of any plume or effluent exceeds fifteen percent.” This six-minute standard is an integral part of the opacity limit and should be included in this section as such. If the current ADEQ/district rule sets an even shorter time allowed for exceedance of the opacity standard, this may be included instead of the six-minute period rule. If ADEQ chooses to substitute a current state/district rule for a SIP-approved rule in the permit, the guidance given in White Paper 2 should be followed (“White Paper Number 2 for Improved Implementation of the Part 70 Operating Permits Program”, March 5, 1996). The reporting requirement for six minute exceedances in section III.C should be deleted for the reason

explained in Comment #8 below.

Response: Section I.A.2.b has been modified to read as:

“Permittee shall not cause, allow or permit to be emitted into the atmosphere from the In-line heater, smoke which exceeds 15 percent opacity measured in accordance with EPA Reference Method 9.”

Opacity determinations by EPA Reference Method 9 involve 24 observations at 15-second intervals, i.e., six minute period.

Section III.C has been reworded to read as:

“Permittee shall report all six-minute periods in which the opacity of any plume or effluent exceeds 15 percent from the In-Line heater.”

Comment 7: *Section II.A.1 Monitoring and Recordkeeping Requirements. This permit condition should describe the sulfur measuring technique, or cite the procedure from a regulation.*

Response: The requirement in Section II.A.1 provides a method for continuous monitoring for particulate, opacity, and sulfur dioxide emission standards (Sections I.A.1, I.A.2 and I.A.3 of Attachment B). It has been established - in the technical review document and through numerous past discussions with EPA staff- that natural gas combustion results in minimal emissions, and that the emissions standards are protected by an ample margin of safety. It was decided, therefore, that imposing a rigorous monitoring schedule would not be required, and would be placing an unnecessary burden on the source. The Federal Energy Regulatory Commission’s (FERC) Tariff agreement presented itself as a feasible alternative to the “daily” monitoring requirements of AAC R18-2-719.J. As stated in the technical review document, the Tariff agreement limits the sulfur content of the natural gas to 0.017 percent by weight of sulfur (an order of magnitude lesser than the standard). The Permittee cannot utilize natural gas that has a sulfur content greater than the aforementioned limit without violating the Tariff agreement. Specifying the monitoring requirement in this manner streamlines the permit conditions.

Comment 8: *By explicitly laying out only one reporting requirement, this section could be misinterpreted to mean that no other exceedances need to be reported. As described in Sections VII (Compliance Certification) and XI (Permit Deviation Reporting) of Attachment A, any emissions in excess of the limits established by this permit must be reported. To avoid confusion, Section III.C should be deleted from this permit.*

Response: Please see the Response to Comment 2.

Comment 9: *Section IV.B. Testing Requirements. If the source does not use an EPA reference test method, the "alternate and equivalent test method" chosen must be clearly defined in the permit. Note that alternative test methods must be pre-approved by the EPA through the appropriate process, e.g., SIP revisions. Alternative test methods may not be approved for the first time through the Title V permit issuance process, due to time and resource constraints. For these specific permits, it is unclear to the EPA why test methods are specified for CO and NOx, since no limits exist for these pollutants. For future permits where test methods are included for pollutants with applicable emissions limits, the language in this section needs to be changed as described above. Please inform us of the reason for including tests for CO and NOx.*

Response: There are no emission limits or standards for NOx and CO emissions at the Flagstaff Station. All

emissions estimates thus far have been made based on emission factors. ADEQ has concluded that a performance test would provide corroborating data to supplement the existing emission estimates. The Permittee has requested that they be provided the flexibility to employ other effective testing methods that meet the requirements of AAC R18-2-311(D). AAC R18-2-311(D) states that except for emissions testing required under Articles 9 and 11 of AAC Chapter 18, alternative and equivalent test methods may be approved by the Director under certain circumstances (AAC R18-2-311(D.1,D.2,D.3)). Since none of the engines used at the Flagstaff Station are subject to NSPS requirements, the permit provides the Permittee the option of submitting an alternative test method for review by the Director. The following language has been added to the permit:

"The Permittee may submit an alternate and equivalent test method(s) that is listed in 40 CFR Subpart 60, Appendix A to the Director in any test plan for approval by the Director."

Comments on Attachment C: Applicable Regulations

Comment 10: As described in Comment # 5 above, there are two options for obtaining a permit shield. If Section XX (Permit Shield) of Attachment A is deleted completely, then Attachment C must include language that explicitly states a permit shield is granted to the permittee. For either option, an adoption date of the version of each rule that is being shielded from must be included in Attachment C.

Response: Please see Response to Comment 5. Attachment C now states : "Compliance with the terms contained in this permit shall be deemed compliance with the following federally applicable requirements **in effect on the date of permit issuance:.....**".

Comments on Attachment E: Insignificant Activities

Comment 11: This section lists units which may be considered to be "insignificant activities". The purpose of defining insignificant activities is to specify those activities for which there may be less detail provided in the permit application. Ant insignificant activities at a Title V source are still subject to all applicable requirements. Some of the insignificant activities listed in Attachment E may be subject to generally applicable requirements, such as limits on opacity or requirements to control fugitive dust. To the extent that these insignificant activities are subject to unit-specific or generally applicable requirements, the permit must include these requirements and require these units to comply with these requirements. Attachment E should clearly state that these units are subject to all applicable requirements, and to the requirements of this permit. These units are also subject to the other requirements of Part 70, such as monitoring and compliance certifications. Please see White Paper 2, which addresses to what extent part 70 requirements may be minimized for these units.

Response: AAC R18-2-101.54 defines an "insignificant activity" as follows:

"Insignificant activity" means an activity in an emissions unit that is not otherwise subject to any applicable requirement and which belongs to one of the following categories:

- a. Landscaping.....etc.
- b. Gasoline storage tanks.....etc.
- c. Diesel and.....etc.
- d. Batch mixers.....etc.
- e. Wet sand.....etc.
- f. Hand-held or manually operated equipment.....etc.
- g. Powder....etc.

- h. Internal...etc.
- i. Lab equipment...etc.
- j. Any other activity which the Director determines is not necessary, because of its emissions due to size or production rate, to be included in an application in order to determine all applicable requirements and to calculate any fee under this Chapter.

From this definition, it is clear that under Arizona rules for a unit to qualify as an insignificant activity, there should be no generally applicable requirements that the source may be subject to.

Comment 12. Attachment B. Section I.A.4. Emission Limits/Standards. The citation for the limit on sulfur content of the fuel is missing. It should read A.A.C. R18-2-719.J

Response: The missing citation A.A.C. R18-2-719.J has been added in the permit.

The following additional comments were made by the EPA through its letter dated December 2, 1997.

Comment 12: Attachment B. Section IV.B. Testing Requirements. The citation is missing from this section. It should be (A.A.C. R18-2-306.A.3). Note that previous ADEQ draft natural gas compressor station permits included a citation in the Testing Requirements section to A.A.C. R18-2-311 and 312. Because these rules were not approved into ADEQ's Title V program, the EPA suggests these sections not be cited in ADEQ Title V permits to avoid possible problems in the future.

Response: The missing citation (A.A.C. R18-2-306.A.3) has been added to the permit. Citations to A.A.C. R18-2-311 and 312 have been removed from the permit.

Comment 16: Technical Support Document. The technical support document should provide a clear and concise explanation of all requirements in the permit. We found most of this document to be clear and concise, but are concerned by the justification given for excluding PM and opacity monitoring requirements on the turbines engines. Instead of giving data to defend ADEQ's decision, the technical support document refers the reader to a "preceding discussion". While today it is relatively simple to find the "preceding discussion" in earlier technical support documents, through the years (as facilities shut down, etc.) these documents may become much less accessible. Given the small amount of data involved for justification, EPA suggests that ADEQ include the data in each permit's technical support document. Alternatively, ADEQ can make a more specific reference to the exact permit that contains the "preceding discussion". If this option is chosen, ADEQ must ensure that any referenced material is readily available.

Response: ADEQ understands EPA's concern and will make all efforts to ensure that any referenced material is readily available. However, "preceding discussion" as stated in the technical support document was meant to refer the reader back to Section II.B of the technical support document where the justification in terms of numeric data is given and not refer to any outside material as was interpreted by the EPA. A clarification has been made to specify the reference.

The following comment was made by EPNG during the Public Comment period. The following response was made by ADEQ after its discussions with the EPA during the Teleconference on January 9, 1998.

Comment: *II. Compliance with permit conditions:*

A. The first sentence of this provision should be reworded to conform to the permit shield provisions of R18-2-325:

The Permittee shall comply with all conditions of this permit, which sets forth all applicable requirements of Arizona's air quality statutes and the air quality rules.

The existing language could be read as requiring the Permittee to comply with "all applicable requirements" which contradicts the purpose of a Class I permit.

Response: ADEQ had initially agreed with EPNG on this issue. However, EPA as a part of their comments had concerns regarding the addition of this phrase. According to the EPA, the condition could be incorrectly interpreted to provide permit shield for all those requirements which have not been identified in the permit. Upon a review of our regulations, it was decided to use the language as quoted in A.A.C. R18-2-306.A.8. Therefore, there will be no change in the permit condition.

RESPONSIVENESS SUMMARY

To EPA Comments on Proposed Title V Permit
During Official 45-Day EPA Review Period for

Air Quality Control Permit No. 1000155
Transwestern Pipeline Company
Flagstaff Compressor Station

The following comments were made during the official 45-day EPA Review period:

Comment 1: *Attachment B.IA.2.a. Opacity Standard. While it is clear that a 40% opacity limit applies to the reciprocating engines, the rule you have quoted and cited for this limit is not the origin of the authority for this limit. The permit condition (and the corresponding SIP rule R9-3-519.C) states that this opacity limit applies to “stationary rotating machinery”. Although the beginning of this rule (R9-3-519.A) does list internal combustion engines as affected facilities, the 40% opacity limit given later in the rule excludes internal combustion engines, since they do not qualify as stationary rotating machinery. Therefore, the actual authority for the 40% opacity limit is the general visible emissions rule (R9-3-501.A). Please replace this permit condition with the language from R9-3-501.A and include the proper citation. Also, the list of applicable requirements should be amended to reflect this change.*

Response: The current SIP defines stationary rotating machinery as “any gas engine, diesel engine, gas turbine, or oil fired turbine operated from a stationary mounting and used for the production of electric power or for the direct drive for other equipment”. Upon a review of the applicable SIP, it was found that there was no corresponding definition of stationary rotating machinery. Historically, ADEQ has always interpreted the term “stationary rotating machinery” under R9-3-519.C to include all equipment as defined in the current SIP. Per our conversation with the EPA on 4/8/98, the definition of the stationary rotating machinery will be included in the technical remarks section to remove any confusion. There is no change in the permit term.

Comment 2: *Attachment B.IA.2.b. Opacity Standard. This permit condition limits the in-line heater to “15 percent opacity measured in accordance with EPA Reference Method 9”. As written, this could be read to imply an exclusive link between the emission limit and the method of determining compliance. Conditions in a Title V permit cannot limit the types of data or information that may be used to prove a violation of any applicable requirement, i.e., restrict the use of any credible evidence. To correct this problem, emission limits should be separated from the required method of monitoring by placing each in its respective section of the permit. Because no*

Method 9 tests will be required for this facility, simply removing the language referring to Reference Method 9 from the Emission Limits/Standards section will correct this problem. Also, not that when the SIP language itself links an emission limit with a specific test method, the SIP overrides any language in the permit. Thus, EPA will not comment on permit language quoted directly from the rule in the SIP. However, we still encourage ADEQ to separate emission limits from test methods.

Response: ADEQ agrees with the EPA on this comment. Condition I.A.2.b of Attachment B has been revised to read as follows:

“Permittee shall not cause, allow or permit to be emitted into the atmosphere from the In-line heater, smoke which exceeds 15 percent opacity.”

Comment 3: *Attachment B.I.B.1.a. Open areas, Roadways, and Streets. This condition could create a problem by excluding credible evidence, as described in comment #2 above. However, unlike the case above, the test method is actually cited in the SIP rule itself. While we stated we cannot require a separation of the limit and the monitoring method in this situation, the language in the permit should be revised to match the language in the SIP rule exactly (“greater than 40% measured in accordance with the Arizona Testing Manual, Reference Method 9”). We recognize this seems like a very trivial change, but have received guidance from within the EPA that the language “measured in accordance with” matches the language in the NSPS 40 CFR 60.8 directly, and is somehow more acceptable.*

Response: ADEQ agrees with the EPA on this comment. Condition I.B.1.a of Attachment B has been revised to read as follows:

“Visible emissions from open areas, roadways, and streets shall not have an opacity greater than 40% measured in accordance with the Arizona Testing Manual, Reference Method 9.”

Comment 4: *Attachment B.I.B.3, 4, 5. Open areas, Roadways, and Streets. Because the rules cited for these conditions are included in the permit shield, the text of the rule must be fully captured by the permit condition. Therefore, please include in each of these permit conditions the possibility of using dust suppressants.*

Response: ADEQ agrees with the EPA on this comment. Conditions I.B.3, 4, and 5 of Attachment B have been revised to read as follows:

“(3) Use adequate wetting agents or dust suppressants on open areas during construction operations, repair operations, demolition activities, clearing activities, and leveling operations, or when any earth is moved or excavated;

[A.A.C. R18-2-604.B]

- (4) Use adequate wetting agents or dust suppressants when roadway is repaired, constructed, or reconstructed; and [A.A.C. R18-2-605.A]
- (5) Use wetting agents, dust suppressants, or cover the load adequately when transporting material likely to give rise to airborne dust.” [A.A.C. R18-2-605.B]

Comment 5: *Attachment B.III. Reporting Requirements. Reports of required monitoring must be submitted every 6 months, pursuant to A.A.C. R18-2-306.A.5.a. As described in the preamble to 40 CFR Part 70, these reports must include all recordkeeping performed in place of monitoring, i.e., (for this permit) records of dust control measures required by Section II.B.1. Please add a new provision (III.D) requiring the Permittee to submit a report, at least every 6 months, of all records required under Section II.B. This citation for the new condition should be A.A.C. R18-2-306.A.5.a. For convenience, this requirement may be timed to coincide with the compliance certifications required by Section VII of Attachment A.*

Response: ADEQ agrees with the EPA on this comment. A new condition III.D has been added to the permit. Section III.D reads as follows:

“At the time the compliance certifications required by Section VII of Attachment “A” are submitted, the Permittee shall submit reports of all monitoring activities required by Section II of this Attachment performed in the six months prior to the date of the report.”